

**Montana Combined Income/Tourist Tax Impact - Option B
by Income Bracket - Calendar Year 2004**

		-----Income Brackets-----							
		\$5,000 to \$9,999	\$10,000 to \$14,999	\$15,000 to \$19,999	\$20,000 to \$29,999	\$30,000 to \$39,999	\$40,000 to \$49,999	\$50,000 to \$69,999	\$70,000 and over
Description	Statewide								
General Household Information ²									
Average Income Before Taxes	\$40,519	\$8,623	\$13,942	\$19,561	\$27,648	\$38,819	\$50,083	\$66,074	\$128,188
Average Total Expenditures	\$39,284	\$16,860	\$22,271	\$27,535	\$32,677	\$39,605	\$46,133	\$56,053	\$86,718
Average Expenditures on Taxed Items	\$2,535	\$934	\$1,194	\$1,612	\$2,035	\$2,661	\$2,991	\$3,673	\$5,924
Tourism Expenditures, Percent of Total Expenditures	6.5%	5.5%	5.4%	5.9%	6.2%	6.7%	6.5%	6.6%	6.8%
Average Number in Household	2.4	1.7	2.0	2.2	2.5	2.5	2.6	2.9	3.1
Total Number of Households	358,667	39,415	38,563	34,566	51,303	38,099	30,699	42,647	44,107
Net Tax Impact									
Average Tourist Tax	\$79	\$29	\$37	\$50	\$63	\$83	\$93	\$114	\$184
Average Income Tax Reduction	(\$120)	(\$25)	(\$44)	(\$56)	(\$68)	(\$100)	(\$137)	(\$187)	(\$463)
Average Net Tax Impact	(\$41)	\$4	(\$7)	(\$6)	(\$5)	(\$17)	(\$44)	(\$73)	(\$279)

¹This includes the tourist tax base as recommended by the Governor's Tourist Tax Advisory Council. The income tax changes reflect Option A from the 9/16/02 meeting of the Governor's Income Tax Advisory Council. The tourist tax rate is about 3.34%.

²The following is the source of expenditures used in this example: *Consumer Expenditure Survey*, Bureau of Labor Statistics, U.S. Department of Labor, 1999.